

Residential Facility Rate Worksheets

General Instructions

- Use the attached worksheets to submit your proposed rate(s) to Creative Care Options (CCO). CCO will not review rates submitted in alternative formats.
- Submit a separate worksheet for each CBRF, RCAC or AFH.
- CCO evaluates proposed rates based on similar size and level of care facilities in our network and in compliance with the “allowable cost policy manual” guidelines. A copy of the allowable cost policy manual can be obtained online at www.dhfs.state.wi.us/grants/Administrative/ACPM.htm
- Only costs actually related to facility operations are allowable cost.
- If persons other than residents reside in the facility, the costs associated with their living space and living arrangements cannot be included in the total facility costs.
- If you provide services to some residents over and above the base facility rate, such as day services, additional personal care, transportation, etc., please submit a separate budget for those services.
 - CCO expects your proposed cost to be inclusive of all services necessary to meet your licensing requirements.
 - Contracted Residential Providers are prohibited from billing CCO Members for services in excess of the CCO contracted rate.
- If you provide more than one level of care with clearly different costs associated with each level, submit a separate worksheet for each level of care, with the additional costs clearly indicated.
 - **If submitting more than one level of care within the same facility, include as an attachment your facility’s criteria for determining level of care.**

Instructions for filling in the Columns on Worksheet Attachment #1

Column 1:

Enter the actual facility related costs for 2006, per your audit.

Column 2:

Enter estimated audit allowable cost for 2007.

Column 3:

Enter your projected 2008 costs.

Column 4:

Room and Board: From the projected 2008 cost in column #3, carry costs into this column as they relate to room and board expenditures. Members pay their room and board liability to CCO. Changes in how CCO calculates and reports room and board changed substantially in 2007. Please reference attached memo for details. Room and boards in excess of market rates may be subject to denial.

Column 5:

Program Costs: From the projected cost in column #3, carry costs into this column as they related to program cost.

Line 1. Salaries

When combined, the 3 subcategories under ‘salaries’ must compromise ALL salaries allocated to this facility cost. A separate salary breakdown is a required attachment. The total on the salary attachment worksheet must equal the total on the final “computation of facility rate worksheet.”

Administrative.

Administrative salaries include all salaries other than direct care and maintenance that are allocated to this facility budget.

Maintenance:

Salaries for individuals paid to perform maintenance (non-direct services) to the facility.

Other Employee Salaries:

Enter salaries for employees that perform direct services to members.

Line 2. Fringe Benefits:

These are the costs of allowances and services provided to employees in addition to regular wages or salaries. Fringe benefit expenditures in excess of 30% of salaries must include a detailed schedule attached.

Line 3. Travel reimbursement to staff.

Include mileage reimbursement for use of a personal car, (not to exceed the allowable Federal IRS rate); public transit, lodging, and meals while traveling reimbursed to staff for client related service.

Line 4. Client transportation:

Costs incurred in transporting clients such as contract services, public transit, mileage reimbursement to staff or volunteers, not to exceed Federal IRS rate.

Line 5. Recruitment:

Costs related to advertising for staff for vacant positions. Recruitment expenses for residences is not an allowable cost

Line 6. Staff Development/ education:

Training costs including conference registrations, travel, lodging, and costs for in-house training for staff development meant to directly benefit the program.

Line 7. Supplies:

Household supplies and linens:

Housekeeping supplies, chemicals and minor equipment such as mops and brooms. It should also include drapes, curtains and shades. Linens: Items such as towels and bedding used by residents.

All other supplies:

Can include office supplies, medical supplies and program active supplies. CCO prohibits billing members, CCO or Medicaid for supplies needed by the facility to comply with universal precautionary measures, including gloves worn by staff. The cost of these supplies must be included in your proposed budget. Reference CCO Memo 500.02.01 Auxiliary Services in Residential Setting for examples.

Line 8. Food:

This includes only the cost of food provided to clients. Meals provided to staff who have no meal period and must remain on duty are also allowable. Any other staff must be charged for meals and the fees credited to this account. Residential providers are required to provide for all nutritional needs of residents and may not bill CCO, its members or families for nutritional supplements used in place of or in addition to meals.

Line 9. Advertising:

The cost of advertising for program related purposes. Advertising for vacant beds is not an allowable cost.

Line 10. Telephone for Facility:

This includes regular billing, installation and removal of telephone, line charges, local and long distance toll calls, and any back up system that allows staff to be contacted on an emergency basis.

Line 11. Telephone for Residents:

If there are identifiable costs related to resident use of phone, enter them here.

Line 12. Printing:

Cost of printing and reproduction necessary for agency administration and client services.

Line 13. Insurance:

Premiums for fire, liability, property and other forms of insurance, exclusive of employee benefit insurance listed under fringes. Worker's compensation costs should be entered here.

Line 14. Utilities:

Water, electricity, gas or oil, as well as costs related to satellite or cable TV systems used by residents.

Line 15. Repairs and Maintenance:

- a. Building: Improvements which result in an increase in useful building life should be capitalized (see Depreciation). Expenditures which serve to keep the building in efficient working condition include repairs and maintenance.
- b. Equipment: Cost of service and parts to repair and maintain equipment.
- c. Charges to this account include maintenance supplies such as light bulbs, lubricants, fuses, fire extinguishers and supplies related to providing heat, light, water softening, etc.
- d. Vehicle: This account will include expenses related to operating facility vehicles, including fuel, repairs, parts, and licenses.

Line 16. Rental of Property and Equipment

Rent for property or equipment will be allowed with the following requirements:

- a. For major items, a copy of the lease must be provided to CCO. CCO may ask for a list of limited partnership investors.
- b. Where applicable, proper capital lease accounting must be used.
- c. Rental rates may not exceed fair market value for similar property or equipment and must be actual cost.

Line 17. Depreciation

To be allowable, cost depreciation must be:

- Identifiable and recorded in the agency's accounting records;
- Based on the historical cost of the asset or fair market value at the time of donation in the case of donated assets, and assets must have a cost or value of \$5000 or more and a useful life of more than one (1) year; and
- Buildings must be depreciated using the straight line method over a minimum of 30 years.
- Prorated over the estimated useful life of the asset using straight-line methods

Line 18. Interest

Interest associated with liability in excess of agency net assets will not be allowed.

Interest on newly constructed buildings should be capitalized according to General Accepted Accounting Principles (GAAP).

A note about mortgage principal payments: Mortgage (principal) payments are not allowable costs. These payments represent acquisition cost and are reimbursed through the depreciation expense.

Line 19. Purchases of furnishings and equipment under \$5000.

Furnishings and equipment with a cost of less than \$5000 should be expensed in one year and charged to this account.

Line 20. Professional fees

All professional fees incurred in the normal course of providing service to clients or complying with the terms of the CMO contract should be charged here. This includes legal, accounting, auditing, data processing and consulting costs, but should not include salaries for employees, these cost should be allocated under line #1.

Line 21. Licenses:

The cost of licenses necessary to operate the facility.

Line 22. Taxes:

- a. Real Estate Taxes: Real estate taxes or payments in lieu of taxes which the agency is required to pay.
- b. Corporate Income Taxes: The tax liability of incorporated vendors.

Line 23. Other allowable expenses:

Allowable expenses not included in above categories can be indicated here. ATTACH DETAIL. **Figures in this column without accompanying attached detail will not be considered.**

Line 24. Subtotal of Costs/Net Allowable Operating Costs

Add all costs in the total facility cost column. This amount is used to calculate allowable profit when applicable.

Line 25. Allowable Profit

Not for profit agencies should enter ZERO in this line. Under Wisconsin law, not for profit agencies are not allowed to retain excess revenues generated by rates.

For profit agencies may add an allowance for profit. This is subject to several guidelines.

- No provision for profit should be included in any other line item.
- Per Wisconsin Statutes, an allowance of a reasonable return on equity capital invested and used in the provision of services to clients may be included as an element of reasonable cost of covered services furnished to beneficiaries by proprietary providers. The amount allowable on an annual basis is determined by applying a percentage equal to 7.5% of net allowable operating costs plus 15% applied to the net equity defined below, the sum of which may not exceed 10% of the net allowable operating costs. "Net Equity" is defined as the cost of equipment, cost of buildings, cost of land and cost of fixed equipment less accumulated depreciation and long-term liabilities.

Line 26. Total Allowable Costs

Add Net Allowable Operating Costs to Allowable Profit in column #3. (Line 24 plus line 25)

- *The Facility Rate in column 3, the room and board rate in column 4 and the program rate in column 5 are calculated by dividing the Total allowable cost in each column by the number of resident days anticipated for the coming year.*
- *Enter the licensed number of beds for the facility in line 26.*
- *Divide the total allowable costs by budgeted beds, to find the annual cost per budgeted bed.
(line 26 divided by line 27)*
- *Divide the annual cost per budgeted bed by 12 to find the monthly cost per bed.
(Line 27 divided by 12.) Enter this result in line 29. This is the monthly facility rate.*
- *To find the daily rate; divide the annual cost per bed by 365.*
- *Providers with a 2007 census below licensed capacity will be able to propose a rate divisible by as much as 85% capacity or actual capacity, whichever is greater. Residential providers that choose to limit CCO access to specified number of facility beds will not be allowed to propose a rate less than licensed capacity.*

Filling in Columns 4 and 5

Delineate cost between column 4 (room and board) and column 5 (program cost). Boxes are shaded to illustrate how to delineate the expenditures appropriately. In line items where neither column 4 or 5 are shaded divide the total from column 3 proportionately between 4 and 5.

Salary Allocations Worksheet
Attachment #2 Instructions

The salary allocations worksheet illustrates the various positions within your organization as they contribute to the care and services

to individuals in the proposed facility budget. Only agency positions where in salary is allocated to this facility budget need to be indicated on the worksheet.

Staff Positions

List the title of each employee. If multiple persons have the same title and/ or functions these titles can be listed in one line item.

of Positions

When lumping multiple positions together from column #1 (staff positions) indicate on this line the # of positions for this title. If no number is indicated, 1 position will be assumed.

Hrs/ Week- Hrs. Year

Fill in one of these line items, both are not necessary.

Rate/ Hours

Depending on whether hours per week or hours per year were indicated on the previous column, match that information to this column.

Salary Allocation As Attributed to this Facility

The portion or percentage of that position of positions that is allocated to the proposed facility budget.

Staff Total

The bottom line of the worksheet should illustrate the total # of positions, hours per week or hours per year, cost and percentage of salary allocated to the proposed facility worksheet.

Weekly Staff Schedule
Attachment #3 Instructions

Attachment #3 illustrates the number of staff working in the facility each day.

AM/ PM

List the position and hours for each person working on the various days and their hours.

Overnight

List the number of positions, hours and whether awake or asleep overnight for each day of the week.